

**WESTFIELD REDEVELOPMENT COMMISSION
RESOLUTION NO. 4-2011**

**RESOLUTION OF THE
WESTFIELD REDEVELOPMENT COMMISSION
PLEDGING TAX INCREMENT AND APPROVING CERTAIN
AGREEMENTS FOR THE UNION STREET FLATS PROJECT**

WHEREAS, on February 21, 2007, the Redevelopment Commission (the “Redevelopment Commission”) of the Town of Westfield, Indiana (the “Town” and on and after January 1, 2008, the “City”), adopted Resolution No. 1-2007 (the “Declaratory Resolution”), establishing the East Side Economic Development Area (the “Area”), all pursuant to and in accordance with Indiana Code 36-7-14 and Code 36-7-25 et. seq., and all acts supplemented and amendatory thereto (collectively, the “Act”); and

WHEREAS, the Declaratory Resolution (i) identified certain parcels of real estate to be included in and designated as the Area as required by Indiana Code 36-7-14-41, (ii) approved an Economic Development Plan for the Area (the “Plan”), (iii) found that the Plan conforms to other development and redevelopment plans for the Town (now City), (iv) found that no Area residents will be displaced due to the Plan, and (v) designated the Area as an “allocation area” to be known as the “East Side Economic Development Allocation Area” as required by Indiana Code 36-7-14-39 (the “East Side Allocation Area”); and

WHEREAS, on September 24, 2007, the Westfield-Washington Advisory Planning Commission (the “Plan Commission”) adopted Plan Commission Order No. 07-01 approving the Declaratory Resolution and Plan and finding that the Plan for the Area conforms to the comprehensive plan of development for the Town (now City); and

WHEREAS, on October 8, 2007, the Westfield Town Council (the “Town Council”) adopted Resolution No. 07-18 approving the Order of the Plan Commission and the establishment of the Area; and

WHEREAS, on November 27, 2007, after notice and a public hearing thereon, the Redevelopment Commission confirmed the Declaratory Resolution by the adoption of Resolution No. 2-2007; and

WHEREAS, the Declaratory Resolution and the Plan have subsequently been amended in accordance with the Act; and

WHEREAS, the City is issuing its Economic Development Tax Increment Revenue Bonds, Series 2011 (Union Street Flats Project) (the “Bonds”), pursuant to a Bond Purchase and Loan Agreement (the “Bond Purchase and Loan Agreement”), among the City, Union Street Flats, LLC (the “Borrower”) and the purchaser(s) of the Bonds, the proceeds of which will be provided to the Borrower for a portion of the financing of the acquisition, construction, installation and equipping of an apartment development containing approximately 238 units in

buildings comprising a total of approximately 221,366 square feet to be located in the City on approximately 7.5 acres of land at 509 South Union Street, which facilities will be owned and/or operated by the Borrower who will use the bond proceeds to acquire, equip and construct the facility (the "Project") in the Grand Junction Consolidated Economic Development Area and serving or benefiting the East Side Economic Development Allocation Area (the "East Side Area"); and

WHEREAS, in order to induce the Borrower to complete the Project, the Redevelopment Commission has determined that it is in the best interest of the City and its residents to pledge a sufficient amount of real property tax proceeds attributable to the assessed valuation generated within the East Side Area in excess of the assessed valuation described in Indiana Code 36-7-14-39(b)(1), as such statutory provisions exist on the issue date of the Bonds, which is sufficient to pay the debt service and any applicable costs pursuant to the Bond Purchase and Loan Agreement on the Bonds due on an annual basis (the "East Side TIF Revenues") in the event that payments made by the Borrower pursuant to the Bond Purchase and Loan Agreement and the note issued thereunder are insufficient. Depreciable personal property within the Area shall not be included within the East Side TIF Revenues and have not been deemed necessary for completion of the Project. The total real property tax proceeds attributable to the assessed valuation within the Area in excess of the assessed valuation described in Indiana Code 36-7-14-39(b)(1), as such statutory provisions exist on the issue date of the Bonds, shall be known as the "East Side TIF Revenues"; and

WHEREAS, the Redevelopment Commission believes that the approval of the Project Agreement between the City and the Borrower (the "Purchase Agreement"), the Bond Purchase and Loan Agreement and the pledging of such East Side TIF Revenues will help further the accomplishment of the Plan and of the Plan for the Grand Junction Consolidated Economic Development Area;

NOW, THEREFORE, BE IT RESOLVED BY THE WESTFIELD REDEVELOPMENT COMMISSION, THAT:

1. The Redevelopment Commission hereby finds that the pledge of East Side TIF Revenues pledged under the Bond Purchase and Loan Agreement and the Project Agreement will help accomplish the Plan for the Grand Junction Consolidated Economic Development Area and the Plan for the East Side Area and will promote the economic development of the City, the Grand Junction Area and the East Side Area.

2. The Redevelopment Commission hereby irrevocably pledges on parity with its pledge of East Side TIF Revenues to the outstanding Westfield Redevelopment District Tax Increment Revenue Bonds of 2009 (East Side EDA Project) (the "2009 Bonds") a sufficient amount of the East Side TIF Revenues to the payment of the Bonds due under the Bond Purchase and Loan Agreement for a term of years not less than the term of the Bonds in the event that payments made by the Borrower pursuant to the Bond Purchase and Loan Agreement and the note issued thereunder are insufficient. There are no prior liens, encumbrances or other

restrictions on the Redevelopment Commission's ability to pledge the East Side TIF Revenues other than the parity obligation requirements applicable to the outstanding 2009 Bonds.

3. The Redevelopment Commission reserves the right to enter into other obligations or leases payable from East Side TIF Revenues, in whole or in part, and to pledge the East Side TIF Revenues on a parity with the pledge for the Bonds, in accordance with the following requirements, for the purpose of raising money for future local public improvements in, serving or benefiting the East Side Area (the "Additional Parity Obligations"). The authorization and issuance of such Additional Parity Obligations shall be subject to the following conditions precedent:

(a) All payments due under the Bonds, the 2009 Bonds and any Additional Parity Obligations payable from the East Side TIF Revenues shall be current to date in accordance with the terms thereof, with no payment in arrears.

(b) For Additional Parity Obligations payable from TIF Revenues, without a special benefits tax levy under Indiana Code 36-7-14-27, an unlimited property tax levy, or a pledge of any other taxes of general applicability authorized to pay such Additional Parity Obligations, the City shall have received a certificate prepared by an independent, qualified accountant or feasibility consultant (the "Certifier") certifying the amount of the TIF Revenues estimated to be received in each succeeding year, adjusted as provided below, which estimated amount shall be at least equal to one hundred twenty-five percent (125%) of the debt service requirements with respect to the outstanding Bonds, and the proposed Additional Parity Obligations, for each respective year during the term of the outstanding Bonds, and Additional Parity Obligations. In estimating the TIF Revenues to be received in any future year, the Certifier shall base the calculation on assessed valuation actually assessed or estimated to be assessed as of the assessment date immediately preceding the issuance of the Parity Obligations; provided, however, the Certifier shall adjust such assessed values for the current and future reductions of real and personal property tax abatements granted to property owners in the East Side Area and the Certifier may take into account the effect of reassessment on TIF Revenues to the extent it can be reasonably estimated. Parity Obligations secured by a special benefits tax levy under Indiana Code 36-7-14-27, by an unlimited property tax levy or by a pledge of any other taxes of general applicability may be entered into without meeting the foregoing requirements in this subsection (b).

(c) Principal of and interest on any Additional Parity Obligations or junior obligations and lease rental on Parity Obligations which are leases shall be payable semiannually in approximately equal installments on February 1 and August 1, or on such dates as recommended by the Redevelopment Commission's financial advisor.

The Redevelopment Commission shall approve and confirm the findings and estimates set forth in the above-described certificate in any resolution authorizing the Additional Parity Obligations. Except as provided in this Resolution, the terms and conditions of any Additional Parity Obligations shall be set forth in the resolution authorizing such Additional Parity Obligations.

The Redevelopment Commission reserves the right to enter into obligations payable from East Side TIF Revenues that are junior and subordinate to the Bonds.

4. The Commission hereby approves the Project Agreement, the Bond Purchase and Loan Agreement and authorizes their execution and delivery, all for the purposes hereinabove provided.

5. The President or the Vice President and the Secretary of the Redevelopment Commission are each hereby authorized and directed, in the name and on behalf of the Commission, to execute and deliver any and all other agreements, documents and instruments, perform any and all acts, approve any and all matters, and do any and all other things deemed by him to be necessary or desirable in order to carry out and comply with the intent, conditions and purposes of this Resolution (including the preambles hereto and the documents mentioned herein), the Project and the issuance and sale of the Bonds, and any such execution, performance, approval or doing of other things heretofore effected be, and hereby is, ratified and approved.

6. The Secretary of the Commission is hereby directed to present the Project Agreement and the Bond Purchase and Loan Agreement to the Common Council for approval in order to provide for the orderly and timely development of the Project.

7. This Resolution shall be effective upon passage.

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ADOPTED AND PASSED THIS 12TH DAY OF SEPTEMBER, 2011,
BY A VOTE OF ____ IN FAVOR AND ____ OPPOSED, BY THE
WESTFIELD REDEVELOPMENT COMMISSION, HAMILTON COUNTY, INDIANA.

By: _____
Pete Emigh, President

By: _____
Doug Holtz, Vice President

By: _____
Scott Robison, Secretary

By: _____
Joseph E. Ingalls, Member

By: _____
Joseph Plankis, Member

ATTEST:

This resolution prepared by:

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317-238-6239

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law.

James T. Crawford, Jr., Attorney at Law